

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton; and  
Tony Hammond

Periodic Reporting  
(Proposal Two)

Docket No. RM2016-10

NOTICE OF PROPOSED RULEMAKING ON ANALYTICAL PRINCIPLES  
USED IN PERIODIC REPORTING  
(PROPOSAL TWO)

(Issued August 25, 2016)

I. INTRODUCTION

On August 22, 2016, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate an informal rulemaking proceeding to consider changes to analytical principles relating to the Postal Service's periodic reports.<sup>1</sup> Proposal Two is attached to the Petition and proposes an analytical method change relating to the treatment of carrier costs within the International Cost and Revenue Analysis (ICRA) report. Petition at 1.

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<sup>1</sup> Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Two), August 22, 2016 (Petition).

## II. SUMMARY OF PROPOSAL

Under Proposal Two, the Postal Service seeks to revise the method for distributing city carrier street and rural carrier costs to products in the ICRA report. Petition, Proposal Two at 1. Specifically, the Postal Service proposes to “align the ICRA methodology with the Cost and Revenue Analysis (CRA) methodology used for developing delivery costs.” *Id.* The Postal Service recommends synchronization of the methods for three elements of the city carrier street model (letter routes, special purpose routes, and support and other costs) and for one element of the rural carrier model. *Id.* The Postal Service asserts that this proposed change would result in improved accuracy of international cost estimates. *Id.* at 7.

## III. NOTICE AND COMMENT

The Commission establishes Docket No. RM2016-10 for consideration of matters raised by the Petition. Additional information concerning the Petition may be accessed via the Commission’s website at <http://www.prc.gov>. Interested persons may submit comments on the Petition and Proposal Two no later than October 11, 2016. Pursuant to 39 U.S.C. 505, Lawrence Fenster is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

## IV. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission establishes Docket No. RM2016-10 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Two), filed August 22, 2016.
2. Comments are due no later than October 11, 2016.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Lawrence Fenster to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Stacy L. Ruble  
Secretary